

INFORMATION LETTER

Not for
Publication

NATIONAL CANNERS ASSOCIATION

For Members
Only

No. 1240

Washington, D. C.

June 25, 1949

Work on N.C.A. Building Delayed by Strike

A permit for construction of the new N.C.A. headquarters and laboratory building in Washington was issued June 21, but work on the building is delayed by a city-wide strike of union carpenters and laborers.

The building site had been excavated to basement level at the time of the Board meeting May 19-20. A permit to lay footings was issued May 26, but following the Memorial Day weekend union carpenters struck to enforce wage demands. Because of the carpenters' strike, trenches for the footings were not dug. Laborers went on strike the next day.

No end to either strike is in sight, according to local newspapers.

A contract for purchase of a lot north of and adjacent to the building site, for which negotiations have been in progress for some time, was signed June 22. Acquisition of the lot adds 25 feet to the original 95-foot frontage on 20th Street.

Food and Drug Exports

The Van Zandt bill, H. R. 562, requiring that exports of foods and drugs conform to food and drug standards of either the United States or of the country of destination, was passed by the House on June 20 and sent to the Senate. The House adopted amendments proposed by the Committee on Interstate and Foreign Commerce (see INFORMATION LETTER of June 18, page 238). The Association has requested an opportunity to testify on the bill before the Senate Committee.

Tin Control Authority

A bill extending for another year the Administration's authority to allocate tin and tin products was passed by the House on June 20 and sent to the Senate. The bill, H. R. 5044, had been reported favorably last week by the House Committee on Banking and Currency. The measure would continue the authorization for tin controls through June 30, 1950.

Increase in Minimum Wage to 75 Cents Recommended by Senate Committee

On the recommendation of the Pepper subcommittee, the Senate Labor Committee on June 24 agreed to report a bill establishing the Federal minimum wage at 75 cents. This was the only change in the Fair Labor Standards Act of concern to the canning industry on which the subcommittee was able to agree.

House Committee Dissipates Confusion on Pricing Bill

The House Judiciary Committee on June 21 favorably reported a revised version of the O'Mahoney bill, S. 1008, for permanent legislation to clarify the legal rules controlling delivered price selling and freight absorption (see INFORMATION LETTER of June 11, page 229).

As amended by the House Committee, the O'Mahoney bill would largely dissipate the confusion now existing as to the legality of cannery selling on a uniform delivered price and, more particularly, the meeting of competition in good faith by freight absorption. The purposes of the bill are clearly spelled out in the House report on the bill.

Specifically, if this version of the bill is ultimately enacted by Congress, it would make the independent use of delivered price selling or freight absorption lawful under the Federal Trade Commission Act, except where these selling methods are employed as part of a conspiracy, or any monopolistic, oppressive, deceptive, or fraudulent practice. The bill would likewise legalize uniform delivered price selling under the Robinson-Pat-

(Please turn to page 244)

Marketing Orders

S. 1089, providing for the addition of filberts and almonds to the list of commodities subject to marketing orders, was passed by the House on June 20 and by the Senate on June 21 and sent to the President.

This leaves the issue on the Holland bill, S. 1464, solely one of adding citrus for canning to the list of commodities on which marketing orders may be issued.

Although the subcommittee made no recommendation to eliminate the "area of production" provisions of Section 13(a) (10), it presented that question to the full Committee. The Committee agreed that the "area of production" exemption should be limited to an exemption from hours, rather than to include wages, as at present.

Otherwise, the subcommittee made no recommendations concerning a change in coverage now provided by Sections 7(b) (3) and 7(c). Nor did it propose to disturb existing fisheries exemptions.

Production and Acreage Of Processing Vegetables

The Bureau of Agricultural Economics issued reports on June 23 on indicated production of green peas for processing and on acreage planted or to be planted to sweet corn, snap beans and cucumbers for processing. Details are reported beginning on page 242.

The 1949 production of green peas for processing, including freezing, was indicated on June 15 at 341,670 tons, about 3 percent less than the 1948 production of 353,960 tons and 11 percent below the 1938-47 average of 382,920 tons.

The BAE reported that acreage of sweet corn for processing will total 469,900 acres, 5 percent less than last year but about 2 percent above the 10-year average; acreage of snap beans for processing is to total 115,530 acres, about 15 percent above the 1948 planted acreage and 1 percent more than the 1938-47 average; and acreage of cucumbers for pickles will total 143,500 acres, about 3 percent more than 1948 plantings and 29 percent above average.

INSECTICIDES

N.C.A. Activities on Insecticide Problems Described

From time to time the INFORMATION LETTER has carried items bearing on one or another phase of the insecticide problems presented to canners and growers. At the May meeting of the Board of Directors, the Scientific Research Committee reviewed the efforts that have thus been made to keep the industry informed of developments, and the activities of the Association divisions having contact with these problems. At the Committee's suggestion, the following summary of activities of the Raw Products Bureau and Research Laboratories is given, both to present a current view of the changing situation and an outline of the steps being taken by the Association to keep pace with it.

Raw Products Bureau

The primary objective of the canner is to pack a high quality product and his chief concern is to obtain high quality raw products which are free of insects and debris and which, at the same time, are essentially free of poisonous chemical residues. The introduction and very active promotion of new organic insecticides during the past several years have seriously complicated the residue problem of the processor.

Some of these insecticides have given spectacular control of insects in the field, thus reducing costs and lowering the possibility of insect contamination of the finished product. However, lack of sufficient information regarding the residue levels at harvest and their toxicity to humans—when these residues cannot be removed through ordinary washing operations—limit or restrict their use on foods for canning. Nevertheless it is felt that research on these and other insecticides and fungicides should be actively pursued in the hope that more effective and non-toxic compounds may be found which will be of great value to the industry.

Another factor which complicates the situation is the rapidity with which many new insecticides are appearing on the market, the effect of which, in some cases, is to "out-date" products on which a considerable amount of research work may already have been done.

Still another factor is the use of by-products of canning crops, such as fodder or silage for feeding livestock. In some areas corn and peas are grown for the canner by the dairyman only because these crops fit favorably into his rotation and supply supplementary feed. Ill-advised selection of an insecticide for use on these crops may leave residues on the fodder which are too hazardous to permit feeding to dairy cows even though there is no residue hazard involved in the canned peas or corn.

The N.C.A. Raw Products Bureau is not equipped to handle independent

research on field control of insects by the use of new insecticides, but it is endeavoring, through contacts with canners and research workers, to keep the research workers aware of the problem of food processors with respect to the residue problem and to acquaint the canner with the residue hazards connected with the use of certain insecticides.

The state experiment stations and certain bureaus in the U. S. Department of Agriculture are the research agencies which conduct studies on the use and application of insecticides on a large scale and these tax-supported institutions are the logical agencies to carry on such work. It is the Bureau's function, in connection with the work being done on insecticides, to bring to the attention of the entomologists in such institutions the particular residue hazards involved in the use of certain organic insecticides. Every opportunity has therefore been taken—through attendance at technical meetings of entomologists and horticulturists, through appearance on the programs of canners and field men's schools in the principal canning areas, and through personal contact by telephone or by correspondence—to stress the seriousness of the canner's problem of producing processed foods which are not only free from insect contamination but from chemical residues which will satisfy all of the requirements of the Food and Drug Administration.

It has been emphasized at these state meetings and at canners' schools that canners should accept and supervise, through their field staffs, the recommendations of their own state agricultural experiment stations for the control of insect pests. The agricultural experiment stations issue their recommendations, based upon sound experimental research and practice, and they will not recommend a new insecticide or fungicide until it has been adequately tested. Canners having experimental field staffs may wish to, and probably should, cooperate on testing of promising new insecticides on a pilot plant scale. But

any promotion by salesmen to the canner on the use of any new insecticide or fungicide should be referred to the state experiment station.

The Bureau has in the past and will continue in the future to point out to the industry the inadvisability of using new chemicals until their suitability has been proven, not only from the standpoint of control of insects but also their effect on flavor and residue. An illustration of this was the release issued by the Bureau in the spring of 1948 on benzene hexachloride, chlordane and parathion about which, even though they appeared to be very effective insecticides, little was known either as to their toxicity to humans or residue hazards. Many inquiries were received from both research entomologists and extension specialists in entomology and horticulture regarding the Association's position on this matter, following publication of this release, thus providing additional opportunity for driving home to such workers the significance of residue hazards in canned foods. Entomologists in states where large peach acreage exists were asked to send in to the Association samples of canned fruit from trees which had been treated with all of the new insecticides so that taste tests could be made.

In the summer of 1948 information came to the Bureau that chlordane was being widely used for grasshopper control in tomato fields. Canners in affected areas were asked to pack samples of tomatoes which had been subjected to chlordane spraying and to send them to the N.C.A. laboratory for taste tests. In the same way canners who were using DDT and parathion experimentally for control of European corn borer were asked to send samples of both canned corn and silage to the laboratory for examination.

In talks to canners and field men in the winter of 1948 and 1949 it was pointed out that canners should not allow growers to use benzene hexachloride on fruits and vegetables because of the evidence gathered during the 1948 season which clearly showed that this product caused a definite off-flavor and that even when fewer applications were made a lowering of quality of the finished product resulted.

A good deal of time has been devoted this spring to planning, with the Laboratories, further investigations for the coming season which involved making arrangements with research entomologists to obtain samples treated with various insecticides for further analytical work.

Washington Laboratory

The development of new organic insecticides has proceeded faster than the accumulation of knowledge either on their utility, toxic effects to warm-

blooded animals, or analytical determination. There is already a sizable literature on the properties of the newer insecticides, and active work on their application and effectiveness is going on. Much information has been gained by Government agencies regarding the toxicities of many of these compounds and there is reason to expect that limiting tolerances will eventually be set, based on toxicological consideration, and the established necessity for their use on canning crops. The canning industry is faced with the problem of knowing the quantities that may properly be tolerated on raw products.

The Washington Laboratory has followed the constantly shifting situation by keeping in touch with Government officials in order to follow toxicological developments and also to keep abreast of advances in analytical procedures.

At the same time laboratory studies have been conducted to adapt available analytical procedures to the recovery and analysis of residues in canned foods. A third phase of laboratory work has been done with the close cooperation with the Raw Products Bureau in obtaining and analyzing numerous canned samples from experimentally-treated plots.

In determining insecticide residues in canned products, the analytical problems consist of choosing a method for extraction of the residue and the selection of a suitable analytical procedure. Fairly satisfactory methods are available for DDT, DDD and parathion. A method for methoxychlor is now available, and tests at the member organization where it was developed and at the laboratory of a manufacturer of chemicals indicate that it is satisfactory. For benzene hexachloride a recent specific method has been presented. Few laboratories are equipped to use the procedure, since a spectrophotometer operating in the ultra-violet light range is required. The sensitivity of this method is low. Since the off-flavor produced by this insecticide in foods is pronounced, flavor examination serves as a sensitive qualitative tool in detecting the insecticide. There are as yet no specific methods for determining chlordane or chlorinated camphene.

Beginning in 1946 the Washington Laboratory investigated the analytical problems involved in the determination of DDT in canned foods and developed a system of extracting the insecticide and applying the Schechter-Haller colorimetric method of analysis. Some studies also were made of the breakdown occurring in DDT when undergoing the processing conditions during the canning procedure. DDT determinations have been made on members' products on various occasions, and collaborative work on DDT analysis was organized and conducted among several laboratories in the industry.

The insecticide DDD gives a color

similar to DDT with the Schechter-Haller method and the recommendation has been made to members that DDD be considered as DDT in routine analytical work. Specific methods are available for distinguishing between DDT and DDD but the Washington Laboratory has not had occasion to do specific work with DDD.

Numerous samples obtained from experiment station experimental plots have been examined for parathion residues. No residues have been found in any canned foods examined and only small amounts in some silage samples.

Among the many samples of canned products from experimental test plots benzene hexachloride produced off-flavors in most instances where it had been used. Tests are in progress at the present time to analyze chemically for this insecticide on a series of 30 samples.

The Washington Laboratory has not engaged in research involving chlordane or chlorinated camphene except for flavor examination of canned products. When heavy and late treatments of chlordane were used on fruits, the canned fruits carried some off-flavor.

At the present time the Washington Laboratory, in cooperation with the Raw Products Bureau, is actively engaged in a program to pack cooperative experiment station grown-pilot plant canned items treated with many insecticides. The N.C.A. Eastern Technical Committee on Baby Foods has established this program and various state experiment stations are furnishing the raw foods from test plots for pureeing and canning at certain designated pilot plants. Collaborative analyses on the canned products will be performed later in the year.

Western Branch Laboratory

For several years the Western Branch Laboratory has been cooperating with entomologists of the University of California on projects having to do with the effect of insecticides on the quality of various canned products and the effectiveness of removing residues by customary washing procedures. Last year results were obtained on DDT, DDD, and calcium arsenate residues from samples of tomatoes dusted experimentally by Dr. A. E. Michelbacher, the fruit being from large commercial plots. The fruit was taken to a commercial tomato cannery and approximately one ton of tomatoes from each insecticide treatment was put through the commercial washer. Samples of raw tomatoes before and after washing were analyzed by the laboratory for insecticide residues; also juice was made from the washed tomatoes and the residue from juicing was analyzed.

During the 1948 canning season another experiment was performed on apricots dusted experimentally either

with DDT, DDD, or parathion or lead arsenate, under the direction of Dr. A. D. Borden, also of the University. Insecticide residues were determined before and after washing and after canning. A standardized washing treatment was given these samples in the N.C.A. experimental cannery and the fruit was canned as unpeeled halves in heavy syrup. The data showed that appreciable amounts of DDT, DDD, and lead arsenate were present in all of the samples treated with those materials. Washing was ineffective in removing DDT and DDD and only partially effective in removing lead arsenate. No parathion was found in any of the samples treated with that insecticide, probably because of the long weathering period of approximately two and a half months to which the residues in these studies were subjected.

Experiments designed to obtain further information on the extent to which insecticide residues on apricots may be removed are currently in progress. DDT, DDD, parathion, and methoxychlor are the insecticides which are being used in this present program. The spraying of the trees was under the supervision of Dr. Borden. It is anticipated that the fruit will be harvested at one time and brought to a commercial fruit cannery where the fruit will be subjected to various washing and canning procedures. Special washing procedures involving the use of wetting agents are contemplated. Both washed and unwashed samples as well as samples of the processed material will be analyzed by the Western Branch Laboratory. Assuming that fruit of known spray history and which contains sufficient residue to permit a satisfactory study of the efficiency of removal is available, additional experiments will be performed using the regular washing equipment presently employed at other commercial canneries to determine the relative effectiveness of different types of equipment in removing insecticide residues.

LABOR

Farm Labor Recruitment

The United States Employment Service has distributed to local employment offices supplies of farm placement materials designed to help in the recruitment of farm labor for work on crops soon to be harvested.

Included in the material is a set of maps intended to help farm workers find jobs. The maps are guides to employment at seasonal jobs on the Atlantic seaboard, from the Gulf to the Great Lakes, in the Great Plains states, and in the Far West.

STATISTICS

May Canned Meat Pack

The pack of canned meat processed in "official establishments" during May, 1949, as reported by the Department of Agriculture, is shown below:

Canned Meat and Meat Products Packed by Official Establishments, May, 1949*

	3 lbs. and over —(in thousand pounds)	Under 3 lbs.	Total
Luncheon meat	13,425	7,065	20,490
Canned ham	9,594	453	10,047
Corned beef	147	2,640	2,787
Chile con carne	171	2,145	2,316
Vienna sausage	96	3,631	3,727
Tamales	43	1,163	1,206
Meat stew	7	1,398	1,405
Others	1,376	22,587	23,963
Total all products	24,860	41,083	65,943

* This report includes late April reports. NOTE: Columns do not add to totals shown in all cases since rounded figures are used.

Canned Fruit and Vegetable Stocks and Shipments

Canners' stocks and shipments of canned apples, applesauce, apricots, peaches, pears, sweet cherries, green and wax beans, peas, tomatoes and tomato juice have been compiled by the Association's Division of Statistics.

The California and Washington-Oregon pack and stocks of the fruit products were compiled by the Canners League of California and the Northwest Canners Association, respectively. The California pack and stocks of tomato products were collected by the Canners League.

Because of depleted stocks of red sour pitted cherries, no June report was compiled.

Canned Apricot Stocks and Shipments

	1948-49 (actual cases)
Carryover, June 1	714,622
Pack	5,010,675
Total supply	5,725,297
Stocks, June 1	1,551,210
Shipments during May	327,808
Shipments, June 1 to June 1	4,174,087

On the basis of 24/2½'s, June 1, 1949, canner stocks amounted to 1,522,000 cases as compared with 706,000 cases on June 1, 1948.

Sweet Cherry Supply, Stocks and Shipments

	1948-49 (actual cases)
Carryover, June 1	25,549
Pack	951,947
Total supply	977,496
Stocks, June 1	74,616
Shipments during May	22,711
Shipments, June 1 to June 1	902,880

On the basis of 24/2½'s, June 1, 1949, canner stocks amounted to 65,000 cases as compared with 23,000 cases on June 1, 1948.

Canned Apple Stocks and Shipments

	1948-49 (actual cases)
Carryover, June 1	1,027,350
Pack	1,727,611
Total supply	2,754,961
Stocks, June 1	62,219
Shipments, June 1 to June 1	2,692,742

Canned Applesauce Stocks and Shipments

	1948-49 (actual cases)
Carryover, June 1	2,579,727
Pack	4,839,920
Total supply	7,419,647
Stocks, June 1	299,113
Shipments, June 1 to June 1	7,120,534

Canned Peach Stocks and Shipments

	1948-49 (actual cases)
Carryover, June 1	1,927,817
Pack	18,043,666
Total supply	19,971,483
Stocks, June 1	3,588,471
Shipments during May	1,274,967
Shipments, June 1 to June 1	16,383,012

On the basis of 24/2½'s, June 1, 1949, canner stocks (peaches and frees combined) amounted to 3,518,000 cases as compared with 1,877,000 cases on June 1, 1948.

Canned Pear Stocks and Shipments

	1948-49 (actual cases)
Carryover, June 1	801,411
Pack	4,395,236
Total supply	5,196,647
Stocks, June 1	848,751
Shipments during May	307,308
Shipments, June 1 to June 1	4,347,866

On the basis of 24/2½'s, June 1, 1949, canner stocks amounted to 788,000 cases as compared with 793,000 cases on June 1, 1948.

Green and Wax Beans Stocks and Shipments

	1947-48 (actual cases)	1948-49 (actual cases)
Carryover, July 1	1,386,500	218,582
Pack	12,142,389	14,133,205
Total supply	13,528,889	14,351,787
Stocks, June 1	583,196	572,885
Shipments during May	607,090	364,479
Shipments, July 1 to June 1	12,945,603	13,778,902

On the basis of 24/2½'s, June 1, 1949, canner stocks included 631,859 actual cases of snap beans and 4,353,282 actual cases of wax beans, whereas canner stocks June 1, 1948, included 404,653 actual cases of green beans and 178,543 actual cases of wax beans.

On the basis of 24/2½'s, June 1, 1949, canner stocks amounted to 601,000 cases as compared with 631,000 cases on June 1, 1948.

Canned Tomato Stocks and Shipments

	1947-48 (actual cases)	1948-49 (actual cases)
Carryover, July 1	362,295	1,949,713
Pack	23,986,993	21,466,688
Total supply	24,349,288	23,416,401
Stocks, June 1	2,514,924	3,632,037
Shipments during May	948,530	1,104,043
Shipments, July 1 to June 1	21,834,364	19,784,364

On the basis of 24/2½'s, June 1, 1949, canner stocks amounted to 4,363,000 cases as compared with 3,335,000 cases on June 1, 1948.

Tomato Juice Stocks and Shipments

	1947-48 (actual cases)	1948-49 (actual cases)
Carryover, July 1	5,029,639	3,578,479
Pack	16,880,277	23,701,199
Total supply	21,909,916	27,279,678
Stocks, June 1	4,871,787	7,630,385
Shipments during May	1,814,051	1,831,522
Shipments, July 1 to June 1	17,038,129	19,649,293

On the basis of 24/2½'s, June 1, 1949, canner stocks amounted to 9,016,000 cases as compared with 5,721,000 cases on June 1, 1948.

Canned Pea Stocks and Shipments

	1947-48 (actual cases)	1948-49 (actual cases)
Carryover, June 1	4,572,441	7,809,928
Pack	33,995,779	24,446,054
Total supply	38,568,220	32,255,982
Stocks, June 1	7,809,928	4,985,141
Shipments during May	1,734,702	1,391,202
Shipments June 1 to June 1	30,758,292	27,270,841

June 1, 1949, canner stocks of canned peas included 631,859 actual cases of Alaskas and 4,353,282 actual cases of sweets, whereas canner stocks June 1, 1948, included 1,289,037 actual cases of Alaskas and 6,520,891 actual cases of sweets.

On the basis of 24/2½'s, June 1, 1949, canner stocks amounted to 4,691,000 cases as compared with 7,598,000 cases on June 1, 1948.

Unsold Florida Citrus Stocks

Reports indicate that unsold stocks of canned citrus products in Florida are at an unusually low level for June. The packs of both blended juice and orange juice have moved into consumption at a rapid rate. Out of a pack of 10,177,098 cases of blended juice only 644,807 were reported unsold on June 4. The orange juice pack of 16,396,647 cases was all sold with the exception of 1,011,176 cases in canner hands on June 4. Unsold stocks of grapefruit juice were 1,338,649 cases out of a pack of 8,727,287. Grapefruit sections, tangerine juice and citrus salad packs were also pretty well sold out by June 4. Furthermore shipments out of canner's warehouses are apparently keeping pace with sales as indicated by the fact that citrus in canner hands sold but not shipped are negligible in quantity.

Snap Beans for Processing

The acreage of snap beans planted or to be planted for processing in 1949 will total 115,530 acres, according to the Bureau of Agricultural Economics. This is about 15 percent more than the 1948 planted acreage of 100,530 acres. Delaware, South Carolina and Tennessee are the only states indicating acreage reductions from last year's plantings.

Of the 115,530 acres planted or to be planted in 1949 for processing, the

BAE estimates 95,480 acres are green varieties and 20,050 acres are wax beans.

The following table shows 1948 production and indicated 1949 production of green and wax beans for processing, by states, according to BAE:

State and group	1948 revised		1949 indicated	
	Green (acres)	Wax (acres)	Green (acres)	Wax (acres)
Maine.....	1,110	1,540	1,310	1,800
New York.....	14,590	7,510	14,400	9,200
New Jersey.....	2,000	.....	1,980	220
Pennsylvania.....	2,370	1,330	2,950	1,450
Indiana.....	2,460	3,540	4,900	1,000
Michigan.....	4,540	5,560	9,520	4,080
Missouri.....	600	140	1,000	.....
Delaware.....	1,500	.....	1,280	.....
Maryland.....	6,020	980	7,060	280
Virginia.....	1,800	.....	2,200	.....
North Carolina.....	1,100	.....	1,400	.....
South Carolina.....	700	.....	500	.....
Georgia.....	200	.....	500	.....
Florida.....	7,100	.....	8,000	.....
Tennessee.....	3,700	.....	3,000	.....
Mississippi.....	1,600	.....	2,000	.....
Arkansas.....	5,700	.....	7,450	150
Louisiana.....	1,400	.....	2,200	.....
Oklahoma.....	2,020	280	2,900	.....
Texas.....	6,500	.....	6,000	.....
Colorado.....	980	420	1,310	290
Utah.....	200	50	350	50
Washington.....	2,510	100	3,330	70
Oregon.....	4,640	780	6,860	140
California.....	1,100	.....	1,900	.....
Other States ¹	1,580	150	1,180	320
U. S. Total.....	78,080	22,450	95,480	20,050

¹ Ala., Idaho, Ill., Iowa, Ky., Mass., Mont., Nebr., N. M., Ohio, Vt., and Wyo.

Green Peas for Processing

The 1949 preliminary estimate of acreage for harvest of green peas for processing is placed at 389,700 acres, according to the Bureau of Agricultural Economics. An earlier estimate of planted acreage, published March 10, had placed the planted acreage at 452,930 acres of which 92,560 acres were for freezing.

In 1948 the planted acreage amounted to 415,000 acres of which 85,650 acres were for freezing. The June 15, 1948, report of acreage for harvest indicated 402,300 acres would be harvested. The revised figure for 1948 harvested acreage was 374,240 acres, according to the BAE.

In arriving at the estimate of acreage for harvest, an allowance was made for abandoned or unharvested acreage about in line with the average loss of plantings for recent years and for diversions to dry or seed peas in states where this practice is followed.

The June 15 indicated yield is 1,754 pounds per acre. This compares with 1,892 pounds obtained in 1948 and the 1938-47 average yield of 1,918 pounds.

The yield of 1,400 pounds indicated by mid-June reports from Wisconsin is the lowest since 1937. In addition to Wisconsin, parts of the Northwest suffered from inadequate moisture, and hot, dry weather in New York, Pennsylvania and western Maryland early in June curtailed the crop in these localities.

On June 15 the indicated 1949 production of green peas for canning and freezing was 341,670 tons, BAE reported. This is about 3 percent less than the 1948 production of 353,960 tons and 11 percent less than the 1938-47 average production of 382,920 tons.

Acreage for Harvest

State	1948 (acres)	1949 (acres)
Maine.....	6,200	6,900
New York.....	34,500	36,500
New Jersey.....	4,300	3,800
Pennsylvania.....	11,000	10,500
Ohio.....	2,500	3,100
Indiana.....	4,600	4,600
Illinois.....	20,400	18,900
Michigan.....	7,600	6,000
Wisconsin.....	122,700	120,000
Minnesota.....	45,000	48,000
Iowa.....	2,100	4,300
Delaware.....	1,400	1,100
Maryland.....	6,700	6,500
Virginia.....	1,700	1,500
Idaho.....	10,000	8,500
Colorado.....	4,000	4,100
Utah.....	9,700	10,600
Washington.....	50,000	42,000
Oregon.....	48,600	43,500
California.....	4,000	5,100
Other States ²	5,400	4,200
U. S. Total.....	402,300	380,700

* Ark., Ga., Kans., Mont., Okla., Okla., Tenn., Texas, and Wyo.

Cucumbers for Pickles

Acreage planted and to be planted to cucumbers for pickles this year totals 143,500 acres, according to preliminary estimates by the Bureau of Agricultural Economics. This is about 3 percent more than the 1948 planting of 139,200 acres and 29 percent above the 1938-47 average.

For the country as a whole, the preliminary estimated total pickling cucumber acreage is nearly the same as was indicated by early season intentions. Growers in New York, Indiana, Minnesota, Iowa, Delaware, Virginia, and Georgia planted less acreage for 1949 than was intended early in the year. States where growers planted more acreage than intended include Ohio, Illinois, Michigan, Wisconsin, Maryland, North Carolina, and the three Pacific Coast states.

Sweet Corn for Processing

About 5 percent less acreage of sweet corn has been planted for processing this year than was planted in 1948, according to the Bureau of Agricultural Economics. The estimated total acreage planted for canning and freezing of 469,000 acres for 1949 compares with 493,700 acres planted last year and an average of 462,290 acres for the 1938-47 period.

State	Planted Acreage		1948		1949	
	White varieties (acres)	other varieties (acres)	Bantam and yellow varieties (acres)	White varieties (acres)	other varieties (acres)	
Maine.....	120	11,780	560	10,740	.....	.....
N. H. ....	.....	450	.....	450	.....	.....
Vermont.....	.....	850	.....	1,250	.....	.....
New York.....	26,100	.....	32,200	.....	.....	.....
Pennsylvania.....	2,840	10,000	2,410	9,000	.....	.....
Ohio.....	5,880	15,120	6,440	11,460	.....	.....
Indiana.....	26,020	8,680	19,520	12,480	.....	.....
Illinois.....	22,280	41,410	24,280	45,110	.....	.....
Michigan.....	240	3,760	20	1,980	.....	.....
Wisconsin.....	12,840	94,160	4,200	100,700	.....	.....
Minnesota.....	810	79,990	2,080	68,640	.....	.....
Iowa.....	20,270	15,930	8,930	16,570	.....	.....
Nebraska.....	2,900	700	2,100	.....	.....	.....
Delaware.....	440	3,960	2,230	2,610	.....	.....
Maryland.....	9,980	28,420	10,370	29,530	.....	.....
Virginia.....	.....	500	.....	360	.....	.....
U. S. Total.....	106,120	387,580	88,200	381,700	.....	.....

* Ark., Colo., Mont., N. J., Okla., S. D., Tenn., Texas, and Wyo.]

Foodstuffs Being Solicited For Destitute Abroad

The Christian Rural Overseas Program (CROP) is soliciting "farm commodities for distribution among the victims of oppression and war who are too destitute to purchase the goods" provided by relief programs or their own country's economy. "CROP is sponsored by Catholic Rural Life, serving War Relief Services of the National Catholic Welfare Conference; Church World Service, official relief distributing agency of 21 Protestant churches; and Lutheran World Relief, serving seven synods. CROP food is distributed only on basis of need regardless of race, nationality, or religious affiliation."

CROP is addressed at 308 West Washington St., Chicago 6, Ill.

REORGANIZATION

Reorganization Plan No. 1

Reorganization Plan No. 1 of 1949, one of seven proposals for reorganization of the executive branch of the government submitted to Congress by the President on June 20, provides that the Federal Security Agency shall be an executive department with the name "Department of Welfare" but it does not carry out the Hoover Commission recommendation for splitting up the Food and Drug Administration.

The reorganization plan states, in part:

"All of the functions of the Department of Welfare and of all officers and constituent units thereof, including all the functions of the Federal Security Administrator, are hereby consolidated in the Secretary of Welfare."

The President noted, in his letter of transmittal, that proposals for certain transfers of FSA functions to other agencies "are currently under study, but final conclusions have not yet been reached with respect to them."

The Hoover Commission had recommended transfer of the food regulation functions of the Food and Drug Administration from FSA to the Department of Agriculture (see INFORMATION LETTER of February 26, page 123).

The President also said that the reorganizations included in this plan "will provide for greater flexibility of internal organization, clearer responsibility, and more effective administration of the functions of the new Department."

With the President's signature, H. R. 2361 became the Reorganization Act of 1949 (P. L. 109).

Under this act, reorganization plans submitted by the President will be effective after 60 days unless disapproved by a constitutional majority of either house (49 Senators or 218 Representatives).

Reorganization Plan No. 2

Reorganization Plan No. 2 of 1949 would transfer the Bureau of Employment Security, including the United States Employment Service and the Unemployment Insurance Service, from the Federal Security Agency to the Department of Labor.

The Bureau of Employment Security administers Federal activities relating to unemployment compensation

systems throughout the country. The USES administers the government's public employment service; on January 1, 1948, it took on responsibility for a farm labor placement service, the program for which has been developed with the assistance of the canning industry.

This transfer was proposed by the President as Reorganization Plan No. 1 of 1948 and was rejected by the 80th Congress.

CONGRESS

Oriental Fruit Fly Control

The conference report on the Agricultural Appropriations bill, H.R. 3997, which was filed June 23, recommended appropriation of \$450,000 to the Bureau of Entomology and Plant Quarantine for carrying out research aimed at control and eradication of the Oriental fruit fly. The conference report was adopted by both houses on June 24 and sent to the President for approval.

Food and Drug Imports

The House on June 20 passed and sent to the Senate H. R. 160, a bill to provide specific statutory authority for relabeling imported goods which do not comply with requirements of the Federal Food, Drug and Cosmetic Act (see INFORMATION LETTER of June 18, page 236).

Price Support Program

Extension of the existing method of supporting farm commodity prices at 90 percent of parity has been recommended by the Pace subcommittee of the House Committee on Agriculture, following two months of hearings on price support operations.

The subcommittee proposes to repeal the Aiken sliding-scale price support program due to become effective January 1, 1950, to extend the Hope 90 percent formula indefinitely, and to authorize Secretary Brannan to experiment with his plan on any crops except storables, milk and butterfat. Secretary Brannan has announced he plans to test his plan only on hogs, potatoes and wool.

The flexible price support system has been identified with Senator Aiken (Vt.) who evolved the plan last year. Although the Aiken plan is scheduled to go into effect in 1950, under present law, it was agreed last

year that it would be reviewed in the present session of Congress.

Several bills to repeal the Aiken provisions have been introduced. These include H. R. 5279 by Representative Andersen (Minn.), H. R. 5283 by Representative Lovre (S.D.), and S. 2124 by Senator Mundt (S.D.).

Overtime-on-Overtime

Legislation to clarify the "overtime-on-overtime" problem, H.R. 858, is scheduled to come before the House during the week of June 27 for concurrence in Senate amendments, broadening and making retroactive the application of the bill to all industries.

Delivered Pricing

(Concluded from page 239)

man Act. The elimination of the so-called Kefauver amendment would make the good faith meeting of competition a complete defense to a charge of unlawful price discrimination.

To those canners located in a disadvantageous position freightwise to particular markets, the language of the report with respect to meeting competition "regularly" or "customarily" will prove interesting. The House Committee report states that:

"The bill does not attempt to limit the frequency with which or the area within which freight may thus be absorbed to meet the equally low price of a competitor, or competitors, in good faith. Freight absorption may be regular and customary so long as there is no showing of combination, conspiracy, or collusive agreement. The bill further provides that the absorption of freight to meet the equally low price of a competitor in good faith may include the maintenance, above or below the price of such competitor, of a differential in price which the seller customarily maintains."

Likewise of interest to many canners will be the proposal for inclusion in the defense of good faith meeting of competition of the right to charge a price which is lower than the competitive price being met wherever the seller customarily maintains a comparable differential. Where a particular canner customarily gets less for his goods than a competitor, he would be able, in meeting the competition of that competitor, to reduce his price in a particular market even lower than the competitor's price by an amount not exceeding the customary differential.

The House bill would abrogate the suggestion in the *Morton Salt* opinion

that a mere "possibility" of injury to competition is sufficient to make a price discrimination unlawful. It would restore the rule that there must be a showing of "reasonable probability" of competitive injury before price differences become unlawful.

The House report also would make clear the Congressional intent that any defense available in a proceeding by the government charging violation of the Robinson-Patman Act shall also be a defense in treble-damage actions. The report states that:

"There has been discussion as to the applicability of this bill to actions for treble damages under Section 4 of the Clayton Act. Section 4 of the Clayton Act provides for the recovery of damages sustained by violations of other sections of the antitrust laws. It is clear that all of the defenses provided for in Section 2 of the Clayton Act to a charge of violating that section of the Clayton Act are equally available in an action under Section 4 of the Clayton Act based on a violation of Section 2. It is not considered necessary to include any new provisions in this bill to accomplish this result."

Taken together, the bill and its legislative history to date would appear to render inapplicable in the future the "conscious parallel action" theory of the *Rigid Conduit* case, pursuant to which the Federal Trade Commission had sought to charge as an unfair method of competition the continued use of delivered price selling or freight absorption by individual sellers where the effect was to produce matched delivered prices. In the absence of conspiracy, collusion, or agreement, the independent meeting of competition by freight absorption would not be a violation of the Federal Trade Commission Act.

In general, the O'Mahoney bill as amended by the House Judiciary Committee aims to demonstrate that Congress does not desire to require flat f.o.b. pricing, to enlarge the jurisdiction of the Federal Trade Commission beyond that conferred in 1914, or in any way to relax the prohibitions of the antitrust laws against any competition, conspiracy or collusive agreement, or any monopolistic, oppressive, deceptive, or fraudulent practice in interstate commerce.

The bill now is pending before the House Rules Committee. Representative Wright Patman (Tex.) has announced his opposition to it and has requested the Rules Committee to defer action until the House Small Business Committee, of which he is chairman, has had an opportunity to hold hearings on the measure.

PUBLICITY

CMI Plans Wide Promotion Of Canned Products

An expanded merchandising and editorial promotion service to canner customers of can manufacturers is the objective of a revised program adopted by the board of governors of the Can Manufacturers Institute at its June meeting in New York City.

Under the reorganization, the CMI Advertising Division becomes the CMI Marketing Bureau, and Harold H. Jaeger assumes the title of Marketing Director. The purpose of CMI's revised program is to promote the products of can company customers and to develop and coordinate their individual and collective promotional energies, Mr. Jaeger stated. In addition, the program will carry forward CMI's aim of consumer education.

The Institute plans to achieve these purposes through (1) expanded consumer and trade publicity; (2) aggressive merchandising of that activity to customers, both by CMI and by individual can companies; and (3) establishment of field representation based on constant personal contact with customers in all types of business.

The field staff, which will include representatives in the East, Midwest and West Coast, will be available for meetings and discussions with state cannery groups and commodity groups.

Since January CMI has undertaken monthly consumer editorial promotions through more than 8,000 magazines, newspapers and radio stations. To date the campaigns have included canned sauerkraut and frankfurters, canned fish, canned baby foods, and canned chop suey products. The CMI campaigns also have been tied with packer group promotional efforts in certain instances.

A similar tie-in promotion is currently underway for canned meat products, which is CMI's editorial promotion for June. In addition to the consumer campaign, the Institute has prepared a broadside calling attention to National Canned Meat Week, July 18-23, which has been distributed to some 3,000 wholesale grocers and chain store operators.

Canned food products to be featured for the remainder of the year are citrus juices and fruits, soups, pineapple, peas, corn, cling peaches, and milk.

Groups seeking more information on the new program may obtain it by writing to Harold H. Jaeger, Can Manufacturers Institute, 60 East 42nd Street, New York 17, N. Y.

American Weekly

The fact that good-tasting meals can be prepared from the pantry shelf supply of foods is pointed out in the food section of the *American Weekly* of June 19. The article is entitled "Packaged Dinners from Your Pantry Shelf."

By Amy Alden, food editor, the article presents nine recipes calling for the use of canned foods, and illustrates menus for four complete meals which include additional canned foods.

The *American Weekly* is distributed nationally with 20 Sunday newspapers.

Forthcoming Meetings

- July 10-15—Institute of Food Technologists, 1949 Annual Meeting, San Francisco, Calif.
- July 13—National Kraut Packers Association, Annual Meeting, The Hotel Reiger, Sandusky, Ohio.
- July 18-22—Canners' Technicians School, conducted by Indiana Canners Association, Purdue University, Lafayette, Ind.
- July 27-August 5—Canners' Technicians School, conducted by Association of New York State Canners, Inc., Geneva Experiment Station, Geneva, N. Y.
- October 12-15—National Association of Food Chains, Annual Meeting, Washington, D. C.
- October 20-22—Florida Canners Association, 18th Annual Meeting, Sheraton Plaza Hotel, Daytona Beach, Fla.
- November 7-8—Wisconsin Canners Association, 45th Annual Convention, Schroeder Hotel, Milwaukee, Wis.
- November 14-16—Grocery Manufacturers of America, Inc., 41st Annual Meeting, Waldorf-Astoria, New York.
- November 21-22—Pennsylvania Canners Association, 35th Annual Convention, Penn-Harris Hotel, Harrisburg.
- November 28-29—Michigan Canners Association, Fall Meeting, Pantlind Hotel, Grand Rapids, Mich.
- December 1-2—Tri-State Packers Association, 45th Annual Meeting, Mayflower Hotel, Washington, D. C.
- December 1-2—Indiana Canners Association, Fall Convention, Claypool Hotel, Indianapolis.
- December 8-9—Association of New York State Canners, Inc., Annual Convention, Hotel Statler, Buffalo.
- December 13-14—Ohio Canners Association, Annual Convention, Deshler-Wallie Hotel, Columbus.
- January 22-31—Annual Conventions of NATIONAL CANNERS ASSOCIATION, National Food Brokers Association, and Canning Machinery & Supplies Association, Atlantic City, N. J.
- March 9-10—Canners League of California, Fruit and Vegetable Sample Cuttings, Fairmont Hotel, San Francisco, Calif.
- March 23-24—Canners League of California, Annual Convention, Biltmore Hotel, Santa Barbara, Calif.

RESEARCH

RMA Study on Snap Beans

Improved methods for producing, harvesting and marketing snap beans were recommended to snap bean producers June 17 by the U. S. Department of Agriculture. The recommendations resulted from a study by the Fruit and Vegetable Branch of the Production and Marketing Administration, under authority of the Research and Marketing Act, of the bean marketing difficulties experienced in 1947 in the Mountain Tri-State area of Virginia, North Carolina, and Tennessee.

While the study was confined to one area, PMA officials believe the findings may be helpful in other regions facing similar problems. The suggested practices were described in a USDA announcement as follows:

"Growers, with the assistance of local agricultural workers, should watch closely the estimates of prospective supply and demand for snap beans in their own and competing areas, and take steps to keep production in line with demand. Local cooperative action among agricultural agencies and producers to assemble and provide growers with weekly planting information is recommended. Successive plantings should be similarly planned in advance to provide an even flow of supplies.

"Wide variation in quality of beans has resulted in extreme variations in price. It should be particularly profitable to improve and keep uniform the quality of the crop.

"Snap beans should be delivered to market in hampers or crates instead of sacks, to avoid bruising and subsequent spoilage.

"Beans should be produced for a specific end use, such as either quick freezing or canning, or fresh use. Because processing apparently will be of continuing importance in the area studied, the development of satisfactory processor-producer contracts seems desirable. Production for specific uses would permit a better program of planting, harvesting and marketing.

"Advance arrangements should be made for an adequate supply of labor for picking beans, accessible to both large and small growers.

"Improvements needed at the markets include the wider adoption of belt-grading of beans for the fresh market, so as to provide for more uniform quality; installation of labor-saving equipment for unloading and packing the beans and reloading them on trucks, replacing the present manual operations which are less efficient

and often result in injury to the beans; and use of better methods of selecting and displaying samples of beans so that buyers could judge the quality more accurately and readily."

The detailed report on this study may be obtained from the PMA Information Branch, U. S. Department of Agriculture, Washington 25, D. C.

Invitations for Bids

Quartermaster Purchasing Offices—111 East 16th Street, New York 3, N. Y.; 1819 West Pershing Road, Chicago 9, Ill.; Oakland Army Base, Oakland 14, Calif. (Western Branch).

Veterans Administration—Procurement Division, Veterans Administration Building, Washington 25, D. C.

The Walsh-Healey Public Contracts Act will apply to all operations performed after the date of notice of award if the total value of a contract is \$10,000 or over.

The QMC has invited sealed bids to furnish the following:

ORANGE JUICE (Fancy)—78,202 dozen 46-oz. and 25,096 dozen No. 2 cans. Bids due at Chicago under Bid No. QM-11-183-49-1234 by July 19.

ORANGE JUICE (Fancy)—12,798 dozen 46-oz. and 8,654 dozen No. 2 cans. Bids due at Chicago under Bid No. QM-11-183-49-1235 by July 19.

CANNED RSP CHERRIES (Standard)—25,820 dozen No. 10 and 45,782 dozen No. 2 cans. Bids due at Chicago under Bid No. QM-11-183-49-1266 by July 20.

CANNED RSP CHERRIES (Standard)—600 dozen No. 10 and 496 dozen No. 2 cans. Bids due at Chicago under Bid No. QM-11-183-49-1266 by July 20.

CANNED RSP CHERRIES (Fancy)—328,412 dozen No. 10 and 325,998 dozen No. 2 cans, and alternate bids for No. 303 cans. Awards if made on alternative bids will be on the basis of comparative cost per ounce net weight. Bids due

at Chicago under Bid No. QM-11-183-49-1288 by July 20.

The Veterans Administration has invited sealed bids to furnish the following:

PINEAPPLE JUICE—8,750 dozen No. 10 cans. Bids due under Invitation No. 227-8 by June 29.

PURIFIED PRAS—3,656½ dozen No. 10 or 19,471 dozen No. 2 cans. Bids due under Invitation No. 1-8 by July 5.

CANNED GREEN BEANS—5,750 dozen No. 10, 11,120 dozen No. 2½, or 30,618 dozen No. 2 cans. Bids due under Invitation No. 2-8 by July 6.

CANNED BOYSENBERRIES—400 dozen No. 10 cans. Bids due under Invitation No. 3-8 by July 6.

STANDARDS

Canned RSP Cherry Grades

United States standards for grades of canned red sour (tart) pitted cherries, as promulgated by the Production and Marketing Administration, USDA, were published in the *Federal Register* of June 23, and were effective on the date of publication.

Grades for Citrus Concentrate

United States standards for grades of frozen concentrated orange juice are scheduled for publication in the *Federal Register* of June 24 and will become effective in 30 days after such publication, the U. S. Department of Agriculture has announced.

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